

110TH CONGRESS  
2D SESSION

# H. R. 7009

To amend the Internal Revenue Code of 1986 to allow employers a credit against income tax for the cost of telecommuting equipment and expenses.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 23, 2008

Ms. BEAN (for herself, Mr. ISRAEL, Mr. RYAN of Ohio, Mr. RODRIGUEZ, Ms. SHEA-PORTER, and Mr. CARSON) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow employers a credit against income tax for the cost of telecommuting equipment and expenses.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Family Work Flexi-  
5       bility Act of 2008”.

6       **SEC. 2. EMPLOYER CREDIT FOR TELECOMMUTING EQUIP-**  
7       **MENT AND EXPENSES.**

8       (a) IN GENERAL.—Subpart D of part IV of sub-  
9       chapter A of chapter 1 of the Internal Revenue Code of

1 1986 (relating to business related credits) is amended by  
2 adding at the end the following new section:

3 **“SEC. 45Q. TELEWORKING EQUIPMENT.**

4 “(a) IN GENERAL.—In the case of an employer, the  
5 teleworking credit determined under this section is an  
6 amount equal to—

7 “(1) the cost of qualified teleworking equipment  
8 placed in service by the taxpayer during the taxable  
9 year for use by teleworking employees of the tax-  
10 payer, and

11 “(2) the amount of expenses paid or incurred  
12 by the taxpayer during the taxable year to maintain  
13 such equipment.

14 “(b) LIMITATION.—The credit determined under this  
15 section for a taxable year shall not exceed the lesser of—

16 “(1) \$500 with respect to each teleworking em-  
17 ployee of the employer, or

18 “(2) \$50,000.

19 “(c) DEFINITIONS.—For purposes of this section—

20 “(1) QUALIFIED TELEWORKING EQUIPMENT.—

21 The term ‘qualified teleworking equipment’ means  
22 telecommunication equipment—

23 “(A) which is used to enable an individual  
24 to telework, and

1 “(B) the original use of which begins with  
2 the taxpayer.

3 “(2) TELEWORKING EMPLOYEE.—The term  
4 ‘teleworking employee’ means any employee of the  
5 taxpayer who performs services for the taxpayer  
6 under an arrangement under which the employee  
7 teleworks for the taxpayer at least 20 hours per  
8 week.

9 “(3) TELEWORK.—The term ‘telework’ means  
10 to perform work functions using electronic informa-  
11 tion and communication technologies and thereby re-  
12 ducing or eliminating the physical commute to and  
13 from the traditional worksite.

14 “(d) SPECIAL RULES.—

15 “(1) BASIS REDUCTION.—For purposes of this  
16 subtitle, the basis of any property for which a credit  
17 is determined under subsection (a) shall be reduced  
18 by the amount of credit so determined.

19 “(2) CONTROLLED GROUPS.—All persons treat-  
20 ed as a single employer under subsection (a) or (b)  
21 of section 52 or subsection (m) or (o) of section 414  
22 shall be treated as a one person for purposes of this  
23 section.

24 “(3) RECAPTURE.—The Secretary shall, by reg-  
25 ulations, provide for recapturing the benefit of any

1 credit allowable under subsection (a) with respect to  
2 any property which ceases to be property eligible for  
3 such credit.

4 “(4) PROPERTY USED OUTSIDE UNITED  
5 STATES, ETC., NOT QUALIFIED.—No credit shall be  
6 allowed under subsection (a) with respect to any  
7 property referred to in section 50(b) or with respect  
8 to expenses related to such property.

9 “(5) ELECTION NOT TO TAKE CREDIT.—No  
10 credit shall be allowed under subsection (a) for any  
11 property or expense if the taxpayer elects to have  
12 this section not apply with respect to such property  
13 or expense.

14 “(6) DENIAL OF DOUBLE BENEFIT.—No deduc-  
15 tion shall be allowed under this chapter with respect  
16 to any expense which is taken into account in deter-  
17 mining the credit under this section.”.

18 (b) CONFORMING AMENDMENT.—Subsection (a) of  
19 section 1016 of such Code is amended by striking “and”  
20 at the end of paragraph (35), by striking the period at  
21 the end of paragraph (36) and inserting “, and”, and by  
22 adding at the end the following new paragraph:

23 “(37) to the extent provided in section  
24 45Q(d)(1).”.

1 (c) CREDIT TO BE PART OF GENERAL BUSINESS

2 CREDIT.—Section 38(b) of such Code is amended by strik-  
3 ing “plus” at the end of paragraph (32), by striking the  
4 period at the end of paragraph (33) and inserting “, plus”,  
5 and by adding at the end of following new paragraph:

6 “(34) in the case of an employer, the tele-  
7 working credit determined under section 45Q(a).”.

8 (d) CLERICAL AMENDMENT.—The table of sections  
9 for subpart D of part IV of subchapter A of chapter 1  
10 of such Code is amended by adding at the end the fol-  
11 lowing new item:

“Sec. 45Q. Teleworking credit.”.

12 (e) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to property placed in service, and  
14 expenses paid or incurred, after the date of the enactment  
15 of this Act in taxable years ending after such date.

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